

requirements during the phase-in. The problems associated with installing automatic restraints in convertibles also make it unlikely that manufacturers would equip their convertibles with such restraints during the phase-in. Thus, the exemption adopted in this notice should have little effect on the type of restraint system that will be used in convertibles during the phase-in.

#### Regulatory Flexibility Act

NHTSA has also considered the impacts of this rulemaking action under the Regulatory Flexibility Act. I hereby certify that it would not have a significant economic impact on a substantial number of small entities. Accordingly, the agency has not prepared a full regulatory flexibility analysis.

Few, if any, passenger car manufacturer would qualify as small entities. Small organizations and government units should not be affected since the change in the HIC calculation should not affect vehicle designs or prices.

#### Environmental Effects

NHTSA has analyzed this rulemaking action for the purposes of the National Environmental Policy Act. The agency has determined that implementation of this action will not have any significant impact on the quality of the human environment.

#### Paperwork Reduction

The phase-in reporting requirements of this rule contain information collection requirements which have been previously submitted to and approved by the Office of Management and Budget pursuant to the requirements of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). These requirements have been approved through June 30, 1988 (OMB approval number 2127-0535). The amendments made by today's final rule do not increase the reporting burden on manufacturers. Instead, the agency is giving manufacturers the option of excluding the number of convertibles they produce from their phase-in production reports.

#### Effective Date

NHTSA has determined that it is in the public interest to make the amendments, adopted in today's notice, effective immediately. The change in the HIC calculation can affect

manufacturer's plans for the model year beginning September 1, 1986.

#### List of Subjects

##### 49 CFR Part 571

Imports, Motor vehicle safety, Motor vehicles.

##### 49 CFR Part 585

Reporting and recordkeeping requirements.

In consideration of the foregoing, Parts 571 and 585 of Title 49 of the Code of Federal Regulations are amended as follows:

#### PART 571—[AMENDED]

1. The authority citation for Part 571 continues to read as follows:

Authority: 15 U.S.C. 1392, 1401, 1403, 1407; delegation of authority at 49 CFR 1.50.

##### § 571.208 [Amended]

2. A new S4.1.3.1.3 is added to § 571.208 to read as follows:

S4.1.3.1.3 A manufacturer may exclude convertibles which do not comply with the requirements of S4.1.2.1, when it is calculating its average annual production under S4.1.3.1.2(a) or its annual production under S4.1.3.1.2(b).

3. A new S4.1.3.2.3 is added to § 571.208 to read as follows:

S4.1.3.2.3 A manufacturer may exclude convertibles which do not comply with the requirements of S4.1.2.1, when it is calculating its average annual production under S4.1.3.2.2(a) or its annual production under S4.1.3.2.2(b).

4. A new S4.1.3.3.3 is added to § 571.208 to read as follows:

S4.1.3.3.3 A manufacturer may exclude convertibles which do not comply with the requirements of S4.1.2.1, when it is calculating its average annual production under S4.1.3.3.2(a) or its annual production under S4.1.3.3.2(b).

6. S6.2 of § 571.208 is revised to read as follows:

S6.2 The resultant acceleration at the center of gravity of the head shall be such that the expression:

$$\left[ \frac{1}{(t_2 - t_1)} \int_{t_1}^{t_2} a dt \right]^{2.5} (t_2 - t_1)$$

shall not exceed 1,000 where  $a$  is the resultant acceleration expressed as a multiple of  $g$  (the acceleration of

gravity), and  $t_1$  and  $t_2$  are any two points in time during the crash of the vehicle which are separated by not more than a 36 millisecond time interval.

#### PART 585—AUTOMATIC RESTRAINT PHASE-IN REPORTING

1. The authority citation for Part 585 continues to read as follows:

Authority: 15 U.S.C. 1392, 1407; delegation of authority at 49 CFR 1.50.

2. Section 585.4 is revised to read as follows:

##### § 585.4 Definitions.

(a) All terms defined in section 102 of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1391) are used in their statutory meaning.

(b) "Passenger car" means a motor vehicle with motive power, except a multipurpose passenger vehicle, motorcycle, or trailer, designed for carrying 10 persons or less.

(c) "Production year" means the 12-month period between September 1 of one year and August 31 of the following year, inclusive.

3. Section 585.5(b)(1) is revised to read as follows:

##### § 585.5 Reporting requirements.

(b) *Report content*—(1) *Basis for phase-in production goals.* Each manufacturer shall provide the number of passenger cars manufactured for sale in the United States for each of the three previous production years, or, at the manufacturer's option, for the current production year. A new manufacturer that is, for the first time, manufacturing passenger cars for sale in the United States must report the number of passenger cars manufactured during the current production year. For the purpose of the reporting requirements of this Part, a manufacturer may exclude its production of convertibles, which do not comply with the requirements of S4.1.2.1 of § 571.208 of this Chapter, from the report of its production volume of passenger cars manufactured for sale in the United States.

Issued on: October 10, 1986.

Diane K. Steed,

Administrator.

[FR Doc. 86-23329 Filed 10-16-86; 8:45 am]

BILLING CODE 4910-59-M



**INTERSTATE COMMERCE COMMISSION****49 CFR Part 1057**

[Ex Parte No. MC-43 (Sub-No. 17)]

**Authorized Carrier Lease of Equipment and Drivers to Private Carriers and Shippers****AGENCY:** Interstate Commerce Commission.**ACTION:** Removal of rules.

**SUMMARY:** The Commission repeals the rules in 49 CFR 1057.41 so as to allow authorized carriers to lease equipment and drivers to private carriers and shippers provided certain minimum criteria are set forth in the written lease. The proposed action was published at 50 FR 41533, October 11, 1985. The use of equipment and driver leasing (popularly termed "single-source leasing") increases the spectrum of price and service quality options available to shippers and receivers. Carriers can earn additional revenues by the productive use of their equipment and personnel by shippers and private carriers and also may be able to reduce insurance costs. Shippers and private carriers benefit by having an additional source for equipment and drivers. These results promote competition and efficient resource use in the public interest.

**EFFECTIVE DATE:** This decision is effective on November 17, 1986.

**FOR FURTHER INFORMATION CONTACT:**

Robert G. Rothstein, (202) 275-7912

or

Andrew L. Lyon, (202) 275-7292.

**SUPPLEMENTARY INFORMATION:**

Additional information is contained in the full Commission decision which is available for public inspection and copying at the Office of the Secretary, Interstate Commerce Commission, or may be purchased from T.S. InfoSystems, Inc., Room 2229, c/o Interstate Commerce Commission Building, 12th Street and Constitution Avenue, NW., Washington, DC 20423; or call toll-free (800) 424-5403; or (202) 289-4357 in the Washington, DC, metropolitan area.

**Energy and Environmental Statement**

This action does not appear to significantly affect the quality of the human environment or conservation of energy resources.

**Regulatory Flexibility Analysis**

The action taken here will have a positive, but not significant beneficial economic impact upon small entity

lessees and lessors of equipment. By allowing another option for more efficient equipment utilization during periods when equipment might not otherwise be used, authorized carrier lessors will realize a benefit in their ability to lease out idle equipment for short periods of time and collect revenues from such transactions. Shipper and private carrier lessees will benefit by having additional sources from which to obtain equipment and drivers for use in their proprietary transportation operations. These advantages should benefit the public in the form of improved service and lower rates. The modifications will not impose regulatory burdens because they are permissive and do not require regulated carriers to enter into such arrangements.

**List of Subjects in 49 CFR Part 1057**

Motor carriers.

This notice and accompanying decision are issued pursuant to 49 U.S.C. 11107 and 10321 and 5 U.S.C. 553.

Decided: October 6, 1986.

By the Commission, Chairman Gradison, Vice Chairman Simmons, Commissioners Sterrett, Andre, and Lamboley.

Noreta R. McGee,

Secretary.

**Appendix****PART 1057—LEASE AND INTERCHANGE OF VEHICLES**

Title 49, Part 1057 is amended as follows:

1. The authority citation following § 1057.12 is removed and the authority citation for 49 CFR part 1057 is revised to read as follows:

Authority: 49 U.S.C. 11107 and 10321; 5 U.S.C. 553.

**§ 1057.41 [Removed]**

2. Section 1057.41 is removed.

[FR Doc. 86-23465 Filed 10-16-86; 8:45 am]

BILLING CODE 7035-01-M

**49 CFR Parts 1135 and 1312**

[Ex Parte No. 290 (Sub-No. 2)]

**Railroad Cost Recovery Procedures****AGENCY:** Interstate Commerce Commission.**ACTION:** Final rule.

**SUMMARY:** The Commission has modified its rules governing railroad cost recovery procedures by requiring railroads to adjust their cost recovery tariffs to take into account declines in the rail cost adjustment factor (RCAF). The Commission will address declines

in the RCAF that cannot be practicably addressed through rate reduction orders by postponing authorizations for future cost recovery rate increases. The Commission has also adopted procedures to mitigate errors in forecasting costs in a previous quarter. Finally, the Commission has ordered the railroads to cancel cost recovery tariff RCCR X-0-86. These new policies seek to interpret the enabling statute in light of current realities in a manner that is fair to all parties.

**DATE:** The new rules take effect on November 17, 1986.

**FOR FURTHER INFORMATION CONTACT:**

William T. Bono—(202) 275-7354, Bureau of Accounts

or

Craig M. Keats—(202) 275-7602, Office of General Counsel

**SUPPLEMENTARY INFORMATION:** Proposed rules in this proceeding were published at 51 FR 16363, May 2, 1986. Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to T.S. Infosystems, Inc., Room 2229, Interstate Commerce Commission, Washington, DC 20423, or call 289-4357 (Washington, DC, metropolitan area), or toll-free (800) 424-5403.

This decision will not significantly affect the quality of the human environment or conservation of energy resources. It will not have a significant adverse impact on a substantial number of small entities, because it does not prescribe maximum rate levels, but rather addresses only the methodologies by which rail carriers may set rates.

**List of Subjects****49 CFR Part 1135**

Administrative practice and procedures, Railroads, Reporting and recordkeeping requirements.

**49 CFR Part 1312**

Railroads.

Decided: October 6, 1986.

By the Commission, Chairman Gradison, Vice Chairman Simmons, Commissioners Sterrett, Andre, and Lamboley. Chairman Gradison submitted a separate expression. Commissioner Andre dissented with a separate expression.

Noreta R. McGee,

Secretary.

Title 49 of the Code of Federal Regulations is amended as follows:

**PART 1135—[AMENDED]**

1. The authority citation for Part 1135 is revised to read as follows:



Authority: 49 U.S.C. 10321 and 10707a; 5 U.S.C. 553.

2. Section 1135.1 is amended by redesignating paragraph (f) as paragraph (g), revising paragraph (b), and adding a new paragraph (f), to read as follows:

**§ 1135.1 Quarterly adjustment of rates.**

(b) The allowable increase will be based on a projection of the index to the midpoint of the quarter to which the index will apply. The percentage change must be calculated from a comparison of the forecast index for the midpoint of the quarter during which the rates will be in effect with the forecast index for the midpoint of the previous quarter. Each quarterly index will be adjusted for forecast error in the index issued six months earlier. The adjustments will be made by adding or subtracting, as appropriate, the difference between the index using actual data for the second

prior quarter and the index using forecasted data for that quarter.

(f) All cost recovery tariffs filed with the Commission shall state that they are being filed in conformity with the rules in 49 CFR 1135.1 and 1312.17(k), and shall be amended under the same timetable applicable to rate increases, to reflect declines in the cost index. Any declines in the index below the level in effect on December 31, 1985, will be addressed by postponing authorizations for future cost recovery rate increases pursuant to a "banking" procedure described more fully in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served October 17, 1986.

**PART 1312—[AMENDED]**

3. The authority citation for Part 1312 continues to read as follows:

Authority: 49 U.S.C. 10321, 10708, and 10762; 5 U.S.C. 553.

4. Section 1312.17 is amended by adding a new paragraph (k)(3) reading as follows:

**§ 1312.17 Amendments.**

(k) \* \* \*

(3) All cost recovery tariffs filed with the Commission shall state that they are being filed in conformity with the rules in 49 CFR 1135.1 and 1312.1 applicable to cost recovery rate increases, to reflect declines in the cost index. Any declines in the index below the level in effect on December 31, 1985, will be addressed by postponing authorizations for future cost recovery rate increases pursuant to a "banking" procedure described more fully in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served October 17, 1986.

[FR Doc. 86-23466 Filed 10-16-86; 8:45 am]

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